

**SPECIAL MEETING
BUDGET WORKSHOP
MAY 11, 2011**

The Wethersfield Town Council held a special meeting on Wednesday, May 11, 2011 at 7:30 p.m. in Council Chambers, 505 Silas Deane Highway, Wethersfield, CT.

Present: Drake, Hurley, Kotkin, Manousos, McAlister, Montinieri, Roberts, Deputy Mayor Console, and Chairperson Hemmann.

Also present: Jeff Bridges, Town Manager and Dolores Sassano, Town Clerk.

Chairperson Hemmann called the meeting to order.

Chairperson Hemmann spoke of the Governor's action last week with moving Plan B to the forefront.

Jeff Bridges noted that it is unclear at this point how it is going to be played out.

Councilor Drake commented that there is a potential for \$1.1 million in cuts.

Deputy Mayor Console commented that he had spoken with someone today CCM that the number was closer to \$2 million for the Town of Wethersfield.

Councilor Drake noted that he thought Jeff Bridges was referring to potential cuts that Wethersfield couldn't make because the Town wasn't obligated to make those cuts.

Jeff Bridges responded that that would be if Plan B came into play.

Chairperson Hemmann commented that regardless, it still is a lot of money to lose after the Town Council has adopted a budget. She noted that there is a letter from the Town Attorney at each person's seat regarding an opinion about a way for supplemental tax money to raise additional funds if Town Council has already set the mill rate. The letter also notes that it is possible through sending out a supplemental notice for tax.

Jeff Bridges commented the issue is when the Town appropriates funds to the Board of Education that authorization for spending is there. If the Council is concerned about a possible Plan B, the appropriation can be reduced by the amount the Council feels would be the money at issue and put it in on the town's side as a contingency. If the funding comes through, then the Town can give the Board of Education the money. If the money does not come through, there will need to be a discussion with the Board of Education regarding a supplemental tax bill.

Councilor Kotkin commented that under this scenario, if the Council were to increase by that amount, would the Town need to go to referendum.

Jeff Bridges responded that a referendum is not needed if it goes through a supplemental appropriation.

Councilor Hurley commented that someone had mentioned last year that only \$200,000 can be allocated.

Jeff Bridges responded, based on the Town Attorney's opinion, they believe it to be different.

Councilor Drake commented that the Town Attorney's determination seems to be the easiest way to handle the situation.

Jeff Bridges commented that tax bills would probably need to be sent out before the first of the year for guaranteed collections to fund the budget.

Councilor Montinieri commented on the contingency plan.

Councilor Manousos noted that Plan B would not only reduce the Town's revenue, but it is also going to increase taxes for people, so if Plan B does go forward, he suggested not increasing residents' taxes now, but to wait till the following budget year.

Councilor Montinieri commented that the fund balance, tax levy and contingency all need to be looked at.

Councilor Manousos commented that a contingency still contemplates taxing for the unknown loss of revenue. It will need to be accounted for somewhere. He also commented that the Town and the Board of Education should be tightening their belts now and not wait.

Councilor Hurley suggested figuring out where the Town needs to be and then discuss the allocation of the money.

Councilor Manousos commented that a contingency still contemplates taxing for that unknown loss of revenue.

Councilor Montinieri responded that his thoughts were that a contingency is an expenditure, not a give back.

Chairperson Hemmann noted that once the money is appropriated to the Library and the Board of Education, it is out of the Town's hands, and any suggestions the Council may have, those departments are not obliged to make changes.

Councilor Montinieri commented that if \$500,000 was put into a contingency on the town side, the Board of Education would need to make some choices. He noted that it doesn't change the budget, only where the money is placed.

Councilor Drake noted that even though the money could be placed in contingency, it is still part of the budget.

Councilor Montinieri responded that even if the money is placed in a contingency, the Board's budget would need to be reduced by the contingency amount so that they are not getting additional money.

Councilor Drake suggested reducing the school's budget by a certain amount and hold it on the Town's side. If the Town does receive money from the State, then the School Board can request that money that is being held.

Councilor McAlister commented that after reviewing the Town Attorney's letter, he surmises that the Board can tax the residents more but he doesn't see where the Council can give the School Board \$200,000.

Jeff Bridges commented that any supplemental appropriation over \$200,000 requires a referendum. He then asked if, this money is a supplemental appropriation, because it will have already been appropriated and it is being spent on something else. He suggested getting clarification from the Town Attorney.

Councilor Kotkin commented that before the Town starts closing offices or changing the operations of the Library, some of the Town revenues need to be recognized.

Councilor Hurley suggested that the Council be conservative at this time.

Chairperson Hemmann commented that the Council should now review what Budget & Finance has looked at, and the Board of Education has also offered some additional suggestions in offsets. She asked if Council wanted to use this as a discussion starting point.

Councilor Hurley commented that he would reduce it by \$1.9 million.

Councilor Drake referred to the display the Budget Committee had shown earlier.

Chairperson Hemmann reviewed the items that had been discussed earlier.

Councilor Montinieri commented that before Budget & Finance met with the Board; it was \$1.2 million plus the federal job grant.

Councilor Manousos agreed that this was correct.

Councilor Roberts noted that it would be helpful to have a document that matched what was being discussed.

Chairperson Hemmann responded that they are working off the document from Monday, with the difference of the \$196,000 deduction.

Councilor Drake commented that he feels the eight high school monitors should remain and a block of the teachers can go. He noted that there is a problem with 10% of the teachers calling in sick each day.

Jeff Bridges noted that the list submitted by the Superintendent has not been endorsed or reviewed by the Board, and there may be additional cuts that have not been reviewed by the Board of Education.

Deputy Mayor Console noted that whatever is being looked at are all assumptions. Whatever the Town Council allocates to the Board of Education, can be changed by the Board and the Town has no say in what changes are made. He noted that as per the Town Charter, the Town Council's job is to appropriate the money, not to micromanage how the money is spent.

Jeff Bridges commented there are two sections of the Charter that are relevant. First, Sec. 311 states: "No resolution authorizing the issuance of bonds or making a special appropriation in excess of two hundred thousand dollars (\$200,000.) shall become effective until the same has been approved by a majority of the qualified electors voting thereon at a regular election or a special election or referendum called by the Council for the purpose. To the extent any appropriation is to be funded from the proceeds of grants, gifts, insurance or other offsetting reimbursements, the amount of the appropriation to be funded from such sources may be approved by the Council in the manner provided in Section 711 of the Charter and such amount shall not be included in determining whether the approval of a majority of qualified electors is required by this section." He stated that this means if the money is moved into a grant, no vote is needed. Section 709. Transfer of Appropriations, states: "The Council, on the recommendation of the Manager, may transfer the whole or any part of the unencumbered balance of any appropriation, except the appropriation to the Board of Education, to any other purpose for which the Council may legally appropriate money, provided that such a transfer may be made from a contingency account at any time or from other budget appropriations only in the last three (3) months of the fiscal year, or at the end of the fiscal year but in no case later than September 30."

Councilor Hurley suggested taking the last four positions off the powerpoint list.

Councilor Manousos concurred with Councilor Hurley and added that there are additional line items that the Superintendent was going to look at.

Chairperson Hemmann noted that most of the people who came up to the Budget Workshops and Forums, which was over 100 people, commented to stay the course and not increase taxes.

Deputy Mayor Console commented that people are hurting all over town, Social Services has never been as busy as they are now, and increasing taxes are going to further hurt residents.

Councilor Manousos commented that what he has learned from the workshops and public hearings is that for most people at the end of the day, they wanted something that was reasonable.

He noted that he made a commitment to save teachers and programs and that's what he is doing now and will not support anything that is going to eliminate teachers.

Deputy Mayor Console responded that he agreed with Councilor Manousos but that the economy has worsened and things have changed and the Council needs to go with the changes. He reiterated that whatever is given to the Board of Education, they [Board of Education] can change whatever line items they want.

Councilor Manousos noted that he understands what Deputy Mayor Console is saying, and he understands that the Board of Education does not need to listen to the Council, but he felt that the Council has to go on faith that the Board is going to do what's right. The Council will set the budget based on its analysis and if the Board does something different than the Council's recommendation, then it is on the Board of Education.

Deputy Mayor Console commented that the history needs to be looked at and that the Board of Education comes in every year with more of an increase. The Board was able to pay all their legal fees, hire an interim Superintendent, pay the former Superintendent and still had money left over to spend. He noted it is obvious that they have more than enough money.

Councilor Manousos noted that anticipated surplus was accounted for in his analysis.

Councilor Hurley commented that members of the Finance Committee are bi-partisan and looked at all the numbers and came up with something that was reasonable, thoughtful and responsible for the Town and asked what was the number the committee had come up with.

Deputy Mayor Console noted that he is on the Finance Committee and numbers were discussed but he did not recommend any numbers.

Councilor Manousos explained that the Finance Committee methodically went through the numbers and came up with approximately \$1 million.

Chairperson Hemmann noted that there is a hearing notice for Saturday, May 15.

At 9:25 p.m., Councilor Roberts moved **"FOR A TEN MINUTE BREAK TO CHECK THE NUMBERS,"** seconded by Councilor Kotkin.

All Councilors present, including the Chairperson voted AYE. The motion passed 9-0-0.

At 9:35 p.m., Councilor Roberts moved **"TO CALL THE MEETING BACK TO ORDER,"** seconded by Councilor Kotkin.

All Councilors present, including the Chairperson voted AYE. The motion passed 9-0-0.

Councilor Manousos asked how the \$500,000 will be recognized.

Councilor Hurley responded that it is an adjustment to the Town Manager's budget as a contingency line item.

RaeAnn Palmer commented that there is a series of ups and downs that needs to be done.

Councilor Roberts commented that in all the years she has been involved with the Town Council, she has never voted on something that was projected onto a screen as it is hard to follow on the screen.

Councilor Manousos asked if it would be helpful to print the information.

Councilor Roberts agreed that it would be very helpful.

Councilor Hurley moved **"TO INCREASE THE TOWN MANAGER'S HUMAN RESOURCES PROGRAM PROPOSED APPROPRIATION BY \$3,000 FOR TUITION,"** seconded by Councilor McAlister.

All Councilors present, including the Chairperson voted AYE. The motion passed 9-0-0.

Councilor Hurley moved **"TO INCREASE THE FIRE SUPPRESSION ADMINISTRATION PROGRAM POST APPROPRIATION BY \$5,000 FOR FIREFIGHTER PENSION CONTRIBUTIONS,"** seconded by Councilor McAlister.

Councilor Kotkin asked Jeff Bridges if this was the issue that was discussed earlier.

Jeff Bridges responded that the Town has committed \$500 to each firefighter and based on the number that was used last year, the number needed to be increased.

All Councilors present, including the Chairperson voted AYE. The motion passed 9-0-0.

Councilor Hurley moved **"TO DECREASE THE PARKS & RECREATION, PARKS & RECREATION FACILITIES/PARKS PROGRAM PROPOSED APPROPRIATION BY \$6,400 TO ELIMINATE FUNDING IN THE TOWN BUDGET FOR ELECTRICITY FOR COTTONE FIELD LIGHTS,"** seconded by Councilor McAlister.

Councilor Hurley moved to **"TO DECREASE THE RETIREE RESERVE, RETIREE MEDICAL BENEFITS PROPPSED APPROPRIATION BY \$100,000"** seconded by Councilor McAlister.

Councilor Kotkin asked Jeff Bridges to review these numbers.

Jeff Bridges explained that the Reserve Retiree Medical Benefits Fund, the 2% that the employees pay, plus the federal reimbursement for certain prescriptions drugs for the over 65. He explained that the way this fund is run, if it earns more than \$100,000 a year between those two items, it was decided to use the amount against the retirees' healthcare expenses for next year.

All Councilors present, including the Chairperson voted AYE. The motion passed 9-0-0.

Councilor Hurley moved **“TO DECREASE INSURANCE, GENERAL ADMINISTRATION, PROFESSIONAL SERVICES PROPOSED APPROPRIATION BY \$4,000”** seconded by Councilor McAlister.

All Councilors present, including the Chairperson voted AYE. The motion passed 9-0-0.

Councilor Hurley moved **“TO DECREASE SOCIAL AND YOUTH SERVICES TO THE ELDERLY PROGRAM, DIAL-A-RIDE PROPOSED APPROPRIATION BY \$23,850,”** seconded by Councilor McAlister.

All Councilors present, including the Chairperson voted AYE. The motion passed 9-0-0.

Councilor Hurley moved **“TO DECREASE SOCIAL AND YOUTH SERVICES, SERVICES TO THE ELDERLY PROGRAM, DIAL-A-RIDE PROPOSED APPROPRIATION BY \$10,000 AND TO INCREASE THE SOCIAL AND YOUTH SERVICES, BASIC NEEDS PROGRAM PROPOSED APPROPRIATION BY \$10,000 TO INCREASE THE SOCIAL WORKER POSITION HOURS BY FIVE PER WEEK,”** seconded by Councilor McAlister.

All Councilors present, including the Chairperson voted AYE. The motion passed 9-0-0.

Councilor Hurley moved **“TO DECREASE THE TOWN WIDE RADIO PROPOSED APPROPRIATION BY \$15,671 TO ELIMINATE EMPLOYEE BENEFITS,”** seconded by Councilor McAlister.

Councilor Hurley asked if this was because there was thought about hiring another contractor.

Jeff Bridges responded that this was the reasoning.

Councilor Roberts asked if a contractor is going to be hired instead of using a town employee.

Jeff Bridges responded that it would be a non-salaried person.

All Councilors present, including the Chairperson voted AYE. Councilor Roberts voted NAY. The motion passed 8-1-0.

Councilor Manousos moved **“TO INCREASE THE TOWN MANAGER’S PROPOSED BUDGET APPROPRIATION BY \$500,000 FOR EDUCATION CONTINGENCY,”** seconded by Councilor Hurley.

Councilor Montinieri commented that he likes the idea but doesn’t understand the language enough to be clear how this would be done in light of Governor Malloy’s Plan B.

Councilor Drake noted that if the budget is passed tonight, this would be it.

Councilor Montinieri responded that this is not identifying where the appropriation is in the contingency.

Councilor Drake noted that if this was added to the Town Manager’s budget, then it is not in the School Board’s budget.

Councilor Montinieri noted that he still does not have his arms around this concept.

Councilor McAlister asked Councilor Montinieri if he would feel more comfortable if it was worded differently.

Councilor Montinieri responded that it is not the language that is the issue is, but doesn’t know if it is doable.

Councilor Kotkin noted that the School Board needs to set their budget and they won’t know if the Town Council is going to approve the \$500,000 in a timely manner.

Councilor Hurley asked if a time limit can be put in.

Jeff Bridges commented that the Town Attorney should review this matter, but the ability to reach into the un-appropriated fund balance and apply it to a budget, is going to be something out of appropriation and that is \$200,000 capitol. He noted that it has to be in the budget to be called a transfer.

Chairperson Hemmann commented that the Town Attorney needs to clarify how the funding will be released, and proper language related to how it could happen.

Councilor Hurley moved **“TO WITHDRAW THE MOTION,”** seconded by Councilor McAlister.

All Councilors present, including the Chairperson voted AYE. The motion passed 9-0-0.

Councilor McAlister moved **“TO INCREASE THE PROPOSED REVENUE ESTIMATE FOR HOUSING – HIGHVIEW BY \$3,500”** seconded by Councilor Manousos.

All Councilors present, including the Chairperson voted AYE. The motion passed 9-0-0.

Councilor McAlister moved **“TO INCREASE THE PROPOSED REVENUE ESTIMATE FOR THE CIVIL PREPAREDNESS GRANT BY \$12,000”** seconded by Councilor Manousos.

All Councilors present, including the Chairperson voted AYE. The motion passed 9-0-0.

Councilor McAlister moved **“TO RESCIND THE MOTION TO INCREASE THE PROPOSED REVENUE ESTIMATE FOR THE CIVIL PREPAREDNESS GRANT BY \$12,000,”** seconded by Councilor Hurley.

All Councilors present, including the Chairperson voted AYE. The motion passed 9-0-0.

Councilor McAlister moved **“TO INCREASE THE PROPOSED REVENUE ESTIMATE FOR THE CIVIL PREPAREDNESS GRANT BY \$7,000,”** seconded by Councilor Manousos.

All Councilors present, including the Chairperson voted AYE. The motion passed 9-0-0.

Councilor McAlister moved **“TO INCREASE THE PROPOSED REVENUE ESTIMATE FOR MANUFACTURER’S EQUIPMENT TO \$18,250,”** seconded by Councilor Hurley.

All Councilors present, including the Chairperson voted AYE. The motion passed 9-0-0.

Councilor McAlister moved **“TO DECREASE THE PROPOSED REVENUE ESTIMATE FOR THE CL&P DEMAND RESPONSE PROGRAM BY \$16,000,”** seconded by Councilor Hurley.

All Councilors present, including the Chairperson voted AYE. Councilor Kotkin ABSTAINED. The motion passed 8-0-1.

Chairperson Hemmann announced that the Town Council will reconvene on Saturday, May 14 at 6:00 a.m. to 10:55 p.m.

ADJOURNMENT

At 10:55 p.m., Councilor Montinieri moved **“TO ADJOURN THE MEETING,”** seconded by Councilor Hurley.

All Councilors present, including the Chairperson voted AYE. The motion passed 9-0-0.

Dolores G. Sassano
Town Clerk
Approved 06-06-2011